

THIS SUB-AGREEMENT made the ____ day of _____, 2017

BETWEEN:

GREATER MONCTON WASTEWATER COMMISSION
(the "Commission")

-and -

CITY of Moncton
-and-
City of Dieppe
-and-
Town of Riverview

(the "Municipalities")

Agreement for
Cost Recovery of the Commission's Expenses

RECITALS

WHEREAS the Municipalities and the Commission have entered into a Service Agreement for the construction, operation and maintenance of their respective wastewater systems in the Greater Moncton area (the "Service Agreement") and this Agreement is intended to be a Sub-Agreement as contemplated by the Service Agreement.

AND WHEREAS pursuant to section 15.2(4) of the Clean Environment Act, the Commission is authorized to assess, charge and collect fees for its services from the ratepayers of the Municipalities;

AND WHEREAS the Municipalities have been collecting, and will continue to collect, those fees from their ratepayers on the Commission's behalf;

AND WHEREAS the three Municipalities are all metered for water consumption by their Industrial, Commercial and Institutional Users;

AND WHEREAS Moncton is metered for water consumption by its Residential users while Dieppe and Riverview Residential Customers are not;

AND WHEREAS The Commission and Municipalities have established a consistent method of determining a Residential User Unit and Meter Equivalent Unit formula applied to the Rate

charged by the Commission to the Municipalities for residential units, and industrial, commercial and institutional buildings.

AND WHEREAS Moncton, Dieppe and Riverview Residential users are charged the Commission Residential Unit user fee on the basis of a flat rate, currently \$210.00 per year for each unit, subject to change.

AND WHEREAS the Parties are entering into this Agreement to confirm their past practices and to formalize their agreements as to the setting of the Commission's annual rates.

NOW THEREFORE THIS AGREEMENT WITNESSETH that the Parties agree as follows:

1. DEFINITIONS

1.1 "Term" means the term of the Service Agreement.

1.2 "Municipalities" means the City of Moncton ("Moncton"), the City of Dieppe (Dieppe") and the Town of Riverview ("Riverview") which are municipal corporations pursuant to the Municipalities Act (New Brunswick) and "Municipality" means any one of them as the context may require.

1.3 "Commission" means the Greater Moncton Wastewater Commission, a body corporate incorporated by Order-in-Council 83-162 and having the registered business name of TransAqua.

1.4 "Commission's Expenses" or "Expenses" means all of the Commission's administration, operating, maintenance, capital, future asset replacement and legal and accounting expenditures as budgeted in any fiscal year.

1.5 "Industrial, Commercial and Institutional Users" or "ICI Users" means all ratepayers other than Residential Users.

1.6 "Meter Equivalent Unit" means the number of units for billing purposes based on water consumption for ICI Users.

1.7 "Rate" means the wastewater fee charged by the Commission for Residential Users or ICI Users in each Municipality.

1.8 "Residential User Unit" means the unit of measure for billing purposes set by the Commission for a single residential household. The number of Residential User Units is determined by applying one unit for each single family residential home, two units for each duplex, three units for each triplex and four units for a quadruplex.

2. PREAMBLE AND APPENDICES

2.1 The Parties hereby confirm and ratify the matters and commitments contained

herein and referred to in the Recitals to this Agreement.

2.2 The Recitals and Appendices are part of this Agreement.

3. BACKGROUND

3.1 The Commission's rates and budgets will be reviewed and set annually after consultation with the Municipalities.

3.2 The Commission shall budget for the Commission's Expenses and set its Rate for the Municipalities annually.

3.3 In order for the Municipality to complete their budget planning, the Commission will submit their following year draft budget (Capital and Operating) and proposed Residential User Unit and Meter Equivalent Unit Rate by October 1st.

3.4 The draft budget will also include a five year projection.

3.5 The Commission is required to submit its budget to the Province of New Brunswick and the Municipalities before November 30th.

3.6 The Parties hereto wish to continue that process and formalize it by this Agreement.

4. AGREEMENTS and PROCEDURES

4.1 The Commission shall recover its Expenses from the Municipalities by assessing the Rate set by the Commission to the total number of Meter Equivalent Units and the number of Residential User Units.

4.2 The number of Residential User Units will be determined by each Municipality as at June 30th of each year.

4.3 The number of Residential User Units will be submitted to the Commission by each Municipality as of July 31st of each year.

4.4 The number of Meter Equivalent Units for billing purposes by the Commission is to be determined by each Municipality by calculating the total annual volume of water consumption by ICI Users as of June 30th of each year divided by the Meter Equivalent Unit conversion factor.

4.5 The Meter Equivalent Unit conversion factor is set at 240 cubic metres per year.

4.6 The Meter Equivalent Unit conversion factor can be amended from time to time with the agreement of all Parties.

4.7 The Commission shall invoice the Municipalities on January 1, April 1, July 1 and October 1 and the Municipalities shall collect the fees from their ratepayers and pay the invoiced amounts to the Commission quarterly based on Municipal billing due dates.

4.8 The Municipalities will amend their by-laws to reflect the terms of this Agreement as may be necessary subject to approval by the Municipality's respective Council.

5. TERM, RENEGOTIATION and TERMINATION

5.1 The term of this Agreement is the term of the Service Agreement.

6. DISPUTE RESOLUTION

6.1 The provisions of the Service Agreement will govern any disputes between the parties as to this Sub-Agreement.

7. AMENDMENTS

7.1 When necessary, the Parties will participate in negotiating amendments to this Agreement to accommodate any changes having regard to the benefits to each party and the joint benefits to them and to the environment of the Greater Moncton area.

8. GENERAL PROVISIONS

8.1 The General Provisions of the Service Agreement are applicable to this Sub-agreement.

The Parties have executed this Agreement under their respective seals and by the hands of their proper officers duly authorized in that regard.

GREATER MONCTON WASTEWATER COMMISSION

Per: _____
Chairman

Per: _____
Secretary
(corporate seal)

CITY OF MONCTON

Per: _____
Mayor

Per: _____
City Clerk
(municipal seal)

CITY OF DIEPPE

Per: _____
Mayor

Per: _____
City Clerk
(municipal seal)

TOWN OF RIVERVIEW

Per: _____
Mayor

Per: _____
Town Clerk
(municipal seal)